Iowa Finance Authority Housing HOME Program

Report Out

"The HOME Run Team"

January 3, 2011 – January 7, 2011

The Opportunity

Eric Chatman
Deputy Director & Chief Financial Officer, Iowa Finance Authority

LEAN
State of Iowa
Continuous Improvement

Your "HOME Run" Team
Iowa Finance Authority Housing HOME Program Lean Design Event

Your "HOME Run" Team Members
Iowa Finance Authority Housing HOME Program Lean Design Event

Lean Facilitator
Ann Hogle
Iowa Department of Human Services

Lean Team Leader
Erich Grubert
Iowa Workforce Development

IFA Members
Shannon Arendt
Sean Bagniewski
Connie Bryant
Stacy Cunningham
Rita Eble
Jerry Floyd
Derek Folden
John Kerss
Tim Morlan
Julie Noland
Pete Peterson
Carla Pope

Dave Vaske
Joanna Wilson
Karen Winchester
Christine Zimmerman

Special Thanks
Mary Neiderbach
City of Des Moines

Katie Kulisky & Nancy Wallis
Iowa Finance Authority

Scope
NAME

- This event will design a process for the allocation of HOME Program funds from training on applications to accepting, reviewing and recommending applications for award.

LEAN
State of Iowa
Continuous Improvement

Objectives

NAME

- Determine primary items, agenda, presenters and materials for training
- Complete training items
- Determine how we will accept applications
- Determine how we will enter data and where
- Determine how we will review applications
- Determine what we will review
- Determine the process for determining who we will award
- Determine what we need for the Board meeting

- Determine roles and timelines for the process
- Track our progress throughout the process
- Determine method of communication with applicants regarding questions, clarifications and missing documents
- Determine how we will integrate with existing LIHTC application review and the City of Des Moines' HOME approval process

LEAN

State of Iowa
Continuous Improvement

Kaizen Methodology

NAME

- Clear objectives
- Team process
- Tight focus on time
- Quick & simple
- Necessary resources immediately available
- Immediate results (new process designed by end of week)

LEAN

State of Iowa
Continuous Improvement

Trends
NAME

- IT needs (data, tracing, reports, etc.)
- Ability to respond quickly to request/requirements
- Davis Bacon (Burden)
- Evaluate apps/docs to see what is REALLY needed
- HUD – timely and accurately reports, + showing our processes (i.e. proving up)
- Cross training staff (and appropriate backups)
- More work/same staff (need to be efficient)
- Economy (Demand for assistance)
- Potential for more federal funding sources transferred to IFA
- HUD wants more with their $

Trends

- More accountability/Transparency
- Change in agency leadership
- Repeat customers from refinances
- Concern technology changes both internal and external – laying track as train is a rolling
- Greater public scrutiny from new administration
- Major rules changes in HOME rules, coming integrating into processes Staffing changes or freezes both at IFA + FED + Local (CHODU +GOG)

- Select Strengths
  - Agency reputation/experience
  - Ability to provide $ to different types of projects
  - Admin $ for HOME (for application/rec training, etc.
  - Grants funding source/More flexible
  - Broad range of activities

NAME

- Select Weaknesses
  - Poor missing records and data
  - Still learning program
  - Lack of policies and procedures
  - Current Microsoft Access database may fail
  - HOME match (tracking, etc.)
  - Cross cutting measures burden/staff/recipients

- Select Opportunities
  - To work with Des Moines jointly (and other joint apps)
  - Have a nationally recognition programs Changes in other state agencies
  - Have opportunity to expand/morph the programs
  - Can market programs Make CHDO's better

LEAN
State of Iowa
Continuous Improvement

- Select Threats
  - Transition problem from one agency to the next
  - Inherited problems
  - Economy
  - More programs assigned/staff overload
  - Pulling deals together shaky economy
  - Alice in wonderland rules up/down right/left

LEAN

State of Iowa
Continuous Improvement

Brainstorming

NAME

- Training Customer Applications –
  - Training on Applications
  - Database, consistency, what are fed requirements
  - Provide FAQ's page for training session and for doing the application preparation process.
  - Set forth reasons for rejecting funding in training
  - Same application, new sections if necessary
  - Set forth requirements of HOME and LIHP for the training and eligible activity, scoring
  - Training presentations should be broken down to various parts of the process – with different presenter for each

- Communication with staff
  - Communication with staff is productive – review meetings are a good use of staff time
  - Balance the roadblock among staff, with reviews done on a simultaneous method

- Roadblocks
  - Questions/roadblocks are addressed quickly by management and legal
  - Identify the exceptions that take special review, eliminate most, and establish uniform procedures

LEAN
State of Iowa
Continuous Improvement
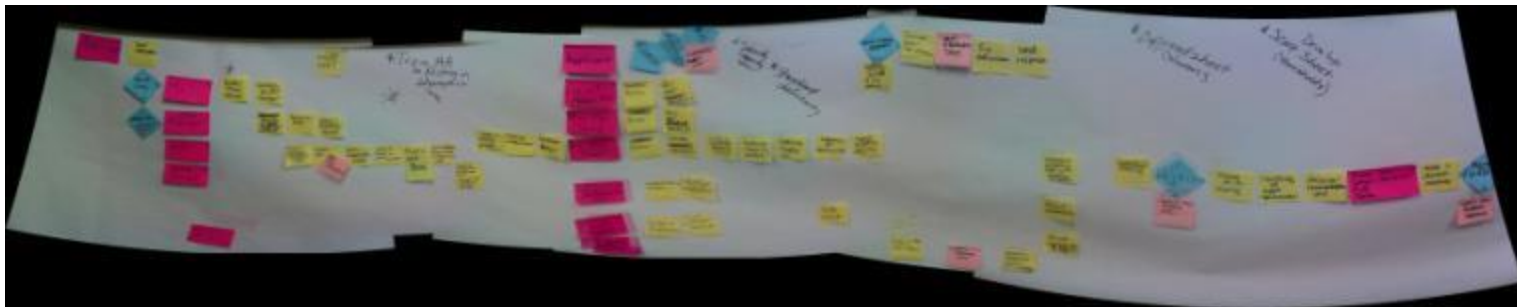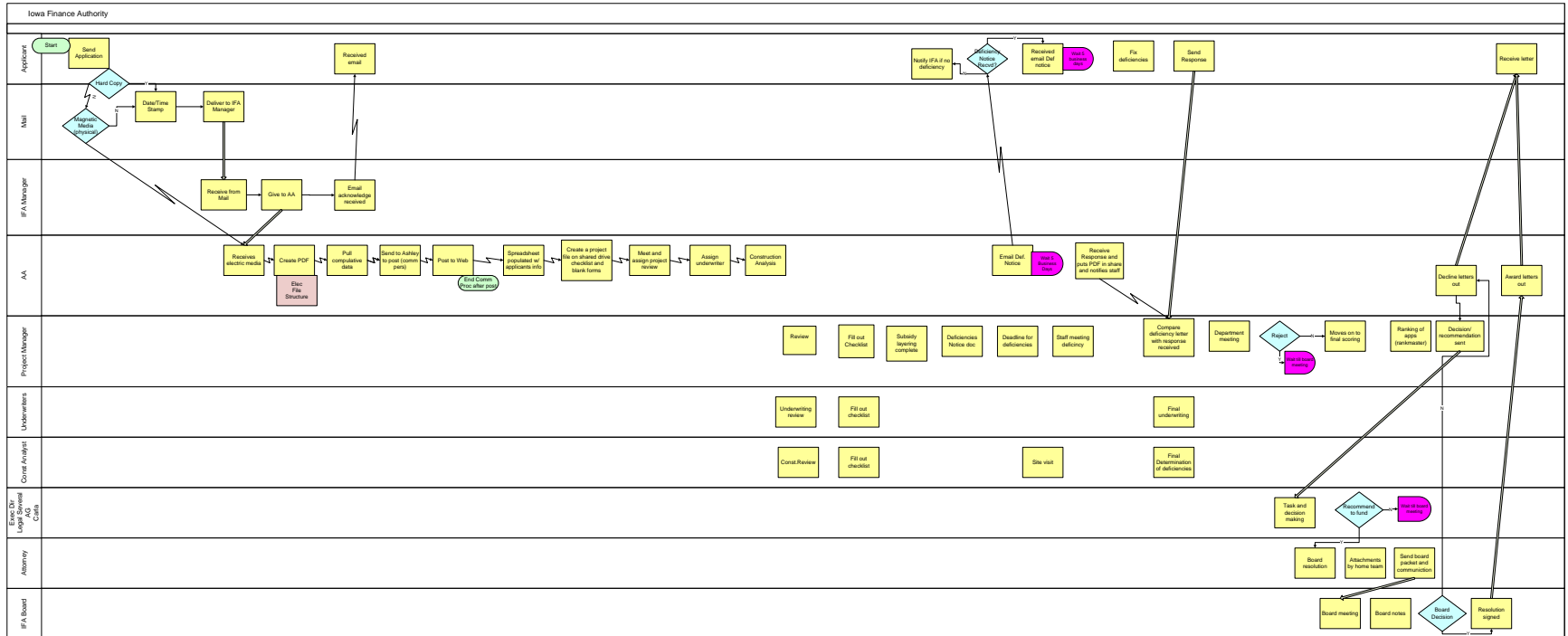
De-Selection Process

- Identifies
  - Impact to customer
  - Difficulty implementing

- Helps to rate/rank solutions to resolve issues while identifying ease of implementation

I
M
P
A
C
T

I   III

II   IV

D I F F I C U L T Y

LEAN
State of Iowa
Continuous Improvement
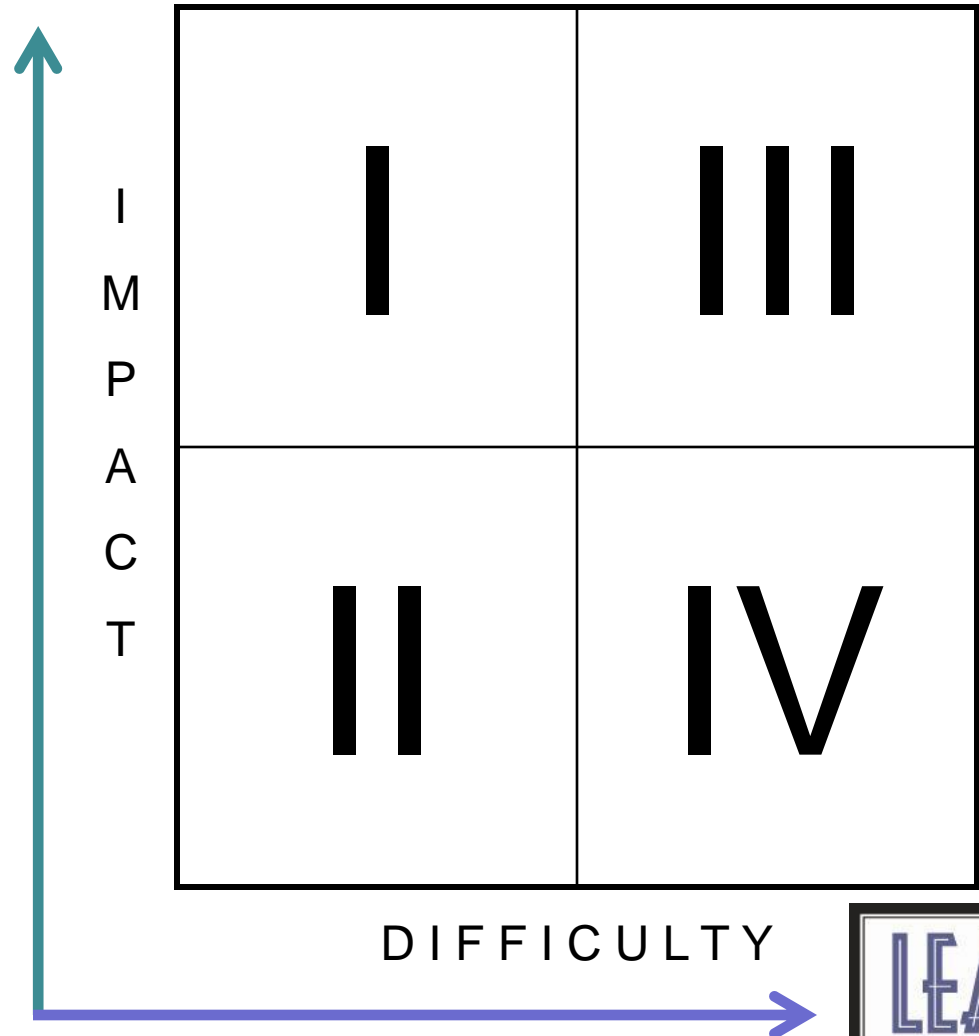
IFA High level Process Mapped Out
NAME

Application Process Highlights

NAME

- Scorecard
  - Used in house to ensure scoring is even
  - Shared externally for transparency
- Updated and Enhanced Training
- New Processes between IFA and the City of Des Moines
- Consistent Electronic File Process

Sample Scorecard
Stacy Cunningham

	A	B	C	D	E	F	G	H	I
1									
2	CATEGORY 1	HOME Match (1 point for each full 1% of eligible HOME match to HOME funds requested (25 maximum points)							SCORING POINTS
3		*Note: Match doesn't include other federal funding sources						UNDERWRITER	0
4		HOME Funds Requested	$22,000.00					(confirm eligible match correct)	
5		Eligible HOME Match	$0.00						
6		Percentage	0.00%						
7									
8	CATEGORY 2	Priorities (maximum 15 pts - 0 to 15 points)							SCORING POINTS
9								PROJECT MANAGER	0
10									
11		HOMEOWNERSHIP	(10 points-all or none) C8-C10						
12		Homebuyer assistance							
13									
14		SPECIAL NEEDS	(5 points - all or none) C28						
15		Special needs populations – accessible housing							
16									
17									
18	CATEGORY 3	Great Places	(2 points) Exhibit H17						SCORING POINTS
19		Project must be located in and be a part of a Great Place community approved by the Department of Cultural Affairs (Exhibit H17)						PROJECT MANAGER	
20									
21									
22	CATEGORY 4	Analysis of HOME funds to Total Project Costs	(1 point for each full 1% of Total Project Costs with maximum of 15 points)						SCORING POINTS
23		Percent of HOME funds requestd to Total Project Costs							15
24		Site Known					Site Unknown		
25		Total Project Costs	$ 2,000,000				Total Project Costs	$ 600	
26		HOME Funds Requested	$ 22,000				HOME Funds Requested	$ 850	
27		Percentage	1.10%				Percentage	141.67%	
28			15					0	
29									
30		POINTS	%						
31		15	30% or less						
32		10	31-50%						
33		5	51-70%						
34									

Development Budget / Budget if site not identified / Sources of Funds / HOME Project Match / Entitlement City-Local PJ Match / SCORING

Homework
NAME

Sample Selection of Homework Items

Item	it	Due Date
Identify timelines for current application cycle (training, application open/close/review/award)	Carla, Tim, John, Rita	Rita will do typed version - 1/7/11
Written procedures for receiving applications internally and setup a numbering system	Sean, Jerry, Rita, Christine, Connie	2/14/2011
Determine staff assignments and put into writing, - Underwriting, - Processing, - Construction, - Management, - DM, - Admin,	Sean, Joanna	DONE
Threshold and exhibit checklist Rental Homeowners TBRA	Jerry,Connie, Rita, Sean, Shannon	2/14/2011
Scoring method - i.e. scorecard - used internally and shared externally	Stacy, Sean, Joanna, Carla, John, Derek	DONE
Apps must be logged (and entered in software if necessary) - 2nd Tab not visible to applicants	Shannon, Ashley, Connie	1/7/2011
Train AA on shared drive uploads once the applications are received	Connie	2/14/2011

LEAN
State of Iowa
Continuous Improvement

Team Member Experience

Team Member Experiences

LEAN
State of Iowa
Continuous Improvement

Comments

Erich Grubert

Lean Team Leader, Iowa Workforce Development

Ann Hogle

Lean Facilitator, Iowa Department of Human Services

Thank you for attending.

WE WELCOME YOUR QUESTIONS AND COMMENTS!